

1998 Credit For Fees Paid To Public Schools 322

Phone Numbers

If you have questions, please call one of the following help numbers:

Phoenix	(602) 255-3381
Nationwide, toll-free	(800) 352-4090
Form orders	(602) 542-4260
Forms by Fax	(602) 542-3756
Recorded Tax Information	
Phoenix	(602) 542-1991
Other Arizona areas, toll-free	(800) 845-8192
Hearing impaired TDD user	
Phoenix	(602) 542-4021
Other Arizona areas, toll-free	(800) 397-0256

You may also visit our web site at:
www.revenue.state.az.us

General Instructions

For taxable years beginning on or after January 1, 1998, Arizona law provides a credit for certain fees paid to public schools in Arizona. The credit is equal to the amount of fees paid, up to a maximum of \$200.

This credit is available only to individuals. Corporations may not claim this credit. A partnership may not pass the credit through to its partners. An S corporation may not pass the credit through to its shareholders.

To qualify for the credit, you must pay fees to a public school for support of extra curricular activities. These are school sponsored activities that require enrolled students to pay a fee in order to participate. The activities must supplement the school's education program and may be educational or recreational. Each school district will determine what activities are extra curricular activities for each public school located in that district. Extra curricular activities may include:

- use of band uniforms
- use of equipment or uniforms for varsity athletics
- use of scientific laboratory equipment or materials.

You must pay fees to a public school or charter school located in Arizona. The school must provide instruction in grades kindergarten through 12.

Fees paid to any of the following **do not** qualify for this credit:

- a nongovernmental school
- a pre-school
- a community college
- a university
- a public school located outside of Arizona

Before you claim this credit, make sure that the public school gave you a receipt for the qualifying fees that you paid. The receipt should show all of the following:

- the name of the public school
- the school district number of the district in which the school belongs
- the name of the taxpayer
- the taxpayer's social security number
- the amount paid
- the date paid
- a description of the activity for which the fee was paid.

You may want to attach a copy of your receipt(s) to your return.

For more information on school tax credits, see the Arizona Department of Revenue brochure, Pub 707, *School Tax Credits*. To get a copy of this brochure, call one of the help numbers listed on this page of these instructions.

Line-by-Line Instructions

Lines 1a, 1b, and 1c -

Enter the name and address of the public school to which you paid fees. Also enter the school district to which the school belongs. Enter the amount of fees paid to the school.

If you paid qualifying fees to 2 schools, also complete line 1b.

If you paid qualifying fees to 3 or more schools, complete an additional schedule. The schedule should show the same information required on line 1a for each of the additional schools to which you paid fees.

Add the amount of qualifying fees paid to all schools listed on lines 1a, 1b, and any additional schedule. Enter the total on line 1c.

Line 2 -

Enter the lesser of line 1c or \$200. This is your current year's credit.

Note: *If you are married, and you and your spouse file a separate return, you may each take only one-half of the total credit that would otherwise be allowed on a joint return.*

For 1998, skip lines 3 through 10. Enter the amount from line 2 on Arizona Form 301, Part I, line 16.

Lines 3 through 7 -

Complete lines 3 through 7 only if the allowable credit for a prior year(s) exceeded your Arizona income tax liability for that prior year.

Line 3 -

In columns (a) through (e), enter the taxable year(s) from which the credit is carried forward.

Line 4 -

In columns (a) through (e), enter the amount of the original tax credit earned for that taxable year.

Line 5 -

In columns (a) through (e), enter the amount of the tax credit for that taxable year which you have previously used.

Line 6 -

In columns (a) through (e), subtract the amount on line 5 from the amount on line 4. Enter the result.

Line 7 -

Add the amounts in columns (a) through (e) on line 6. Enter the total on line 7, column (f).

Lines 8 through 10 - Total Available Credit**Line 8 -**

Enter the amount from line 2.

Line 9 -

Enter the amount from line 7, column (f).

Line 10 -

Add lines 8 and 9. Enter the total.

Also enter the total available credit on Arizona Form 301, Part I, line 16.